GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3258
ANSWERED ON:11.08.2000
INVESTMENT BY NRIS
MADAN PRASAD JAISWAL;MANSINH PATEL;SAVSHIBHAI MAKWANA

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the investment made by NRIs during 1998-99, 1999-2000 and 2000-2001, till date, in each State, particularly in Gujarat and Bihar,

(b) the concessions being given to NRIs to attract more and more investments;

(c) whether the investment made by NRIs is not facilitating balanced development of areas; and

(d) if so, the efforts made by the government to attract more and more investment in backward/rural areas?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) The state-wise inflow of NRI investment is not centrally maintained. However the inflow of NRI investment in the country during 1998, 1999 and 2000 (till date) including investment made in the states of Gujarat and Bihar is as follows:-

Year	Amount of NRI investment (Rs. In lakh)
1998	38914.6
1999	35917.6
2000 (up to June)	16321.0

(b) The general policy and facilities for Foreign Direct Investment as available to foreign investors/company are fully applicable to NRIs as well. In addition Government have extended some concessions specially for NRIs and Overseas Corporate Bodies having more than 60% stake by the NRIs. These include (I) NRI/OCB investment in the real estate and housing sectors upto 100%
(ii) NRI/OCB investment in domestic airlines sector upto 100% and
(iii) NRI/OCB investment upto 40% in the banking sector.

(c)&(d) As per the policy of the Government, NRIs are permitted to invest anywhere in India and therefore, the location of project depends upon the choice of the investor. To attract more investment in backward/rural areas the Government provides Tax incentives and run schemes like Growth Centre Scheme, Transport Subsidy Scheme, Central Capital Investment Subsidy Scheme and Centra Interest Subsidy Scheme.